

GOVERNMENT OF ANDHRA PRADESH  
A B S T R A C T

Public Services – A.P. Works Accounts Service – Allegations in purchase of surgical and non-surgical items by DM&HO at exorbitant rates from the fake SSI units – Sri Ch. Nageswara Rao, the then Finance Officer and now Joint Director of Works Accounts (Retd.) – Further action dropped – Orders – Issued.

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FINANCE (WA-II) DEPARTMENT

G.O. Rt No. 564

Dated:21-02-2012.  
Read the following:-

1. From the Director General, ACB, Rc. No. 60/RCO-CR1/2001/S-16, dated 03-03-2006.
2. Health Medical & Family Welfare (VC.1 (2) Department U.O. Note No. 17292/VC.1(2)/01 dated 04.11.2006.
3. From the Director General, ACB, Rc. No. 60/RCO-CR1/2001/S-16, dated 27-07-2006.
4. From the Director General, ACB, Rc. No. 60/RCO-CR1/2001/S-16, dated 25-05-2007.
5. From the Director General, ACB, Rc. No. 60/RCO-CR1/2001/S-16, dated 23-07-2007.
6. Government Memo No. 15874-B/92/WA.II/2007, dated 22-01-2008.
7. Hon'ble High Court orders dated 16.08.2010 in Criminal Revision Case No. 1705 of 2009.
8. Representation of Sri Ch. Nageswara Rao, the then Finance Officer and now Joint Director of Works Accounts (Retd.), dated 16.08.2010.

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**O R D E R :**

The Director General, Anti Corruption Bureau, Hyderabad in the reference 1<sup>st</sup> read above communicated the final report relating to the allegations of corruption against the officials of the A.P. Health Medical and Infrastructure Development Corporation Limited, Hyderabad and requested to issue prosecution sanction orders against Sri Ch. Nageswara Rao, the then Finance Officer of the said Corporation along with other Accused Officers.

Government in the reference 6<sup>th</sup> read above permitted the Director General, ACB, Hyderabad to prosecute Sri Ch. Nageswara Rao, the then Finance Officer and now Joint Director of Works Accounts (Retd) for the irregularities found in purchase of huge quantity of antibiotics from various public sector undertaking on short tenders in the A.P. Health Medical and Infrastructure Development Corporation Limited, Hyderabad. Accordingly ACB authorities filed a Criminal Case No. 31 of 2008 before the Principle Judge for SPE & ACB Cases, Hyderabad.

Hon'ble High Court in its orders dated 16.08.2010 in Criminal Revision Case No. 1705 of 2009 discharged the petitioner Sri Ch. Nageswara Rao i.e., Petitioner A-6 from proceedings in C.C. No. 31 of 2008 pending before the Principle Special Judge for SPE & ACB, Cases, Hyderabad duly observing that the allegations made against him pertains to the period before his joining in the Corporation. Hon'ble High Court observed that;

“Neither in the charge sheet nor in counter filed by the Special Public Prosecutor in the lower court, any instance of passing a single bill by the corporation after 29.05.2000 is alleged. When the petitioner joined in the corporation on 29.05.2000, he cannot be responsible much less criminally responsible for the alleged activity which took place in the corporation prior to his joining in that corporation. Neither the bills relating to Antibiotics nor bills relating to IV fluids were passed by A6. The cheque for IV fluids to the extent of

(Contd.....)

Rs.32,74,869/- was issued on 29.03.2000. The alleged payment of value of drugs to the suppliers together with taxes and failure to make the payment excluding sales tax and failure to remit the sales tax separately, happened prior to A6 joining in the corporation. Even with regard to the programme relating to eradication of malaria, budget and expenditure thereon was in financial year 1999-2000. A6 was not working in the corporation during that financial year and found that there is absolutely no semblance of material showing complicity of A6 in the alleged fraud causing loss to the Government. The lower court did not make any attempt to find out whether there is prima facie case against the petitioner/A6 for framing charges against him.”

Government after careful consideration of the directions of the Hon’ble High Court dated 16.08.2010 in Criminal Revision Case No. 1705 of 2009 and in consideration of the representation given by the individual in the reference 8<sup>th</sup> read above, hereby decided to drop further action against Sri Ch. Nageswara Rao, the then Finance Officer, A.P. Health Medical and Infrastructure Development Corporation Limited, Hyderabad and now Joint Director of Works Accounts (Retd) in the matter.

The Director of Works Accounts, Hyderabad is directed to take action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

L. PREMACHANDRA REDDY,  
SECRETARY TO GOVERNMENT (W&P)

To

Sri Ch. Nageswara Rao, the then Finance Officer, A.P. Health Medical and Infrastructure Development Corporation Limited, Hyderabad and now Joint Director of Works Accounts (Retd) through the Director of Works Accounts, Hyderabad.

The Director of Works Accounts, Hyderabad.

Copy to:

The Director General, Anti Corruption Bureau, Hyderabad.

The Secretary to A.P. Vigilance Commission, Hyderabad (through a covering letter).

The Managing Director, A.P. Health Medical and Infrastructure Development Corporation Limited, Hyderabad.

The Health Medical & Family Welfare (VC.1 (2) Department  
(w.r.to their file No. 17292/VC.1(2)/01).

SF/SCs.

// FORWARDED: :BY ORDER//

SECTION OFFICER.